

## ***CITY OF EAU CLAIRE***

### ***SPECIALASSESSMENTPROGRAM***

#### **●Frequently Asked Questions ●**

*(The following is a series of frequently asked questions with respect to special assessments for public improvements.)*

##### *1. What are “special assessments?”*

Special assessments are one of the permitted statutory forms of charges made by the City against property to pay the cost of improvements constructed to serve the respective properties. This is one manner in which the City apportions the cost of constructing street and utilities to those properties within the City that are benefited by the improvements.

##### *2. Don’t my property taxes cover construction and maintenance of streets and utilities?*

Property taxes, state-shared taxes, and revenues from other sources are used for street and utility maintenance; for construction of certain segments of street and utility systems required for public purposes; and for a multitude of other public services. However, the construction of that portion of a street necessary to provide reasonable access to the property, and the new construction of utilities sized to serve the property, along with new sewer and water connections from the mains to the property line, have historically been assessed against the properties served by such facilities. Several thousand

special assessments are levied annually in Eau Claire, with totals ranging from \$1.5 million to 3.0 million annually. In the absence of a special assessment program, these costs would be added to the property taxes, or utility bills.

##### *3. Under what authority are special assessment charges made?*

Eau Claire’s special assessment policy is administered in accordance with City Ordinance No. 2549, originally adopted September 28, 1955, as amended on February 10, 1998, March 9, 1999, February 12, 2002, and June 22, 2004, under the enabling legislation of Wisconsin Statute 66.0703.

##### *4. What facilities are assessed?*

The City normally levies special assessments for the new construction of sanitary sewers, water mains, sewer and water connections, street grading and gravel base. New construction and reconstruction of street paving, curb and gutter, sidewalks, driveway aprons and boulevard seeding or sodding on certain projects is also assessed. The replacements of several of these items, which can be expected to deteriorate, are also assessable, usually under a guaranteed life basis. Also, special assessment districts can be created, usually in commercial areas, for the assessment of special construction items such as whiteway lighting, wider and/or more attractive streets and sidewalks, and other special facilities.

##### *5. Who determines the amount to be assessed for each item?*

The assessment rates are adjusted annually in accordance with the current costs of constructing each item. Assessment rates are recommended to the Council by the Public Works Department based on the previous year’s construction costs. The entire City is used as the assessment district, and similar assessments are levied throughout the entire City for similar improvements. Assessment rates are consistent from street to street, and do not vary in accordance with the size of sewer and water mains, or the width of the street constructed. In all but the most unusual cases, the rates are based on the minimum sewer and water sizes necessary for residential service, and on the construction of an average width residential street. The cost of the larger pipe or wider and thicker street is borne by the general public, unless specifically requested by the party assessed.

##### *6. How are assessable improvement projects initiated and authorized?*

It is the duty of the Public Works staff to study the various needs and requests for new or improved facilities, and make recommendations to the Manager and Council. Projects are initiated by several methods, including requests from property owners for the construction of sewer and water, by petition from property owners, as well as the necessity to improve and upgrade existing streets and utilities to meet needs in older sections of the City. Council reviews these requests, staff recommendations, and feasibility

studies, and if the proposed projects appear reasonable, a preliminary resolution is adopted instructing the staff to notify all the property owners who would be assessed, and to set up a public hearing which the property owners are invited to attend. Council's final authorization of a project is made only after the public hearing has been held, and all information relative to the project has been presented and reviewed. (Public hearings can be waived if all abutting property owners agree in writing).

7. *If the property owners are satisfied with their street as it is, why should they be assessed for a project which they did not request?*

Projects are initiated for a variety of reasons. Although requests from property owners are often the basis for a project, the need to upgrade the street or to reduce the maintenance costs are also valid reasons. Streets and utilities are community property, and every tax-paying property owner has the right to expect similar levels of service from all streets he uses, and good public economy with relation to maintenance costs.

In the history of a city, many changes occur causing streets and utilities to outlive their useful life, requiring that they be replaced. Naturally, it becomes necessary to study these needs continually, and attempt to provide reasonable solutions. Although the construction necessary to meet increased demands is not universally welcomed, it is nevertheless necessary.

Eau Claire's assessment policies attempt to take all these factors into consideration.

8. *If my street is to be constructed to handle heavy traffic, will I be assessed more than if I lived on a less heavily traveled street?*

No. If street grading and gravel base have previously been assessed, they are not assessed again at a later date. Curb and gutter, sidewalk and driveway aprons on typical streets do not substantially vary in cost from one street to another. Street paving is assessed on the basis of an average residential street. Any additional width required for traffic is financed by the City's general fund. Although heavier and more expensive pavements are often constructed, the special assessment rate is based on the cost of an average residential bituminous mat, or concrete pavement, depending on which type of surface is constructed.

9. *Some properties are assessed more often for street improvements than other properties. Is this fair?*

As mentioned above, grading and gravel base are never assessed more than once for any property. Hot mix bituminous paving is guaranteed for 30 years. If the street is reconstructed during the 30-year period, the assessments are prorated in such a manner to account for the shorter pavement life. An asphalt overlay that is constructed during the 30-year period is considered a maintenance activity and will not be special assessed. Concrete pavements and utilities are guaranteed for 40

years, with assessments similarly prorated. The replacement of old curb and gutter is only charged at the rate for installing new curb and gutter. The cost for removal is not assessed.

Under a new policy, if an older street is to be repaved, deficient water and sewer facilities are often replaced, but not assessed. Lead or galvanized water services and clay or cast iron sewer services are replaced at no charge. Copper water lines that are replaced are not assessed unless they are upgraded to a size larger than one-inch.

10. *Doesn't the state or the federal government pay a substantial portion of certain street improvement projects?*

This is sometimes true, particularly on designated arterial streets. However, in most cases, there is a substantial amount of City costs in these projects. All City taxpayers are entitled to the benefits of state and federal assistance, and the special assessment policy takes this into consideration. Similar assessment rates are used regardless of funding sources.

11. *How much will my special assessment be?*

The amount assessed any parcel varies with the width and size of the parcel, the type of improvements undertaken, and the assessment history of the parcel. The estimated special assessments for any parcel are determined prior to the public hearing, and this information is available from the City Engineer's office. The office is located in the south

wing, second level of City Hall, 203 South Farwell Street, and the phone number is 839-4934. Credits and allowances are made on the long side of corner lots, for utility and street improvements.

*12. If sidewalk and/or curb and gutter are to be constructed, who repairs my lawn and boulevard?*

On street construction projects, the boulevard area restoration is part of the contract, and the cost is assessed against the property. In some types of construction projects on existing streets, particularly where there is a change in street width or grade, disturbed areas behind the right-of-way line are restored as part of the projects, without assessment.

*13. How are special assessments paid?*

The property owner may prepay the special assessments or choose to have them added to the property tax in ten (10) equal annual principal installments. No interest is charged at the time of the first installment. In most cases, the first installment of the special assessments will appear on the tax statement in December of the year the construction is completed. However, subsequent installments bear the interest rate of six percent (6%) on the unpaid balance. Assessment balances may be paid in full at any time.

*14. What happens if I do not pay the assessments?*

Special assessments are similar to real estate taxes in the respect that both become a lien against the property

involved. If the assessments are not paid, the City may, after due process, sell the property at public sale in order to collect the amount due. In cases of proven financial hardship, the City may authorize deferment of payment in accordance with the City Code.

*15. Can the payments be postponed or deferred for other reasons?*

Special assessments are based upon benefits to the land, and the cost of providing such benefits. If it can be found that the abutting property derives no benefit from certain construction, Council may defer payment of assessments for a particular period of time. An example would be the construction of sanitary sewer or water main, adjacent to a farm field, that will not use the utilities immediately.

*16. What if I can't afford the assessments?*

The City provides several programs for cases in which special assessments may be a financial hardship. The Council may defer collection of the assessments if there is a reasonable probability that the costs would result in the loss of the homestead. The City will pay the assessments and recover the cost at a future date if the "hardship" deferment is approved.

The Special Assessment Deferment Committee is also authorized to extend the payment period for 20 years. To qualify, residential property must have a household income less than the Federal Housing Standard and an assessment greater than \$2,500. Non-residential property may qualify if the

special assessments exceed \$30,000 or 50% of the gross income of the non-residential operation. Application forms and further information will be furnished by the Finance Department by calling 839-6044.

*17. After the project was approved, I received a notice ordering me to construct or repair sidewalk within 20 days. What if I don't have the ability to repair or build the sidewalk?*

The City uses Wisconsin Statutes 66.0907 for the repair and construction of sidewalk. Following a public hearing on the street project, a resolution is considered by the Council that orders the property owners to repair or construct sidewalk. The property owner may repair the sidewalk at their own cost; however, in many cases the full extent of the needed sidewalk repair is not known until all the utility work has been completed. The repair and replacement of existing sidewalks, along with the construction of new sidewalk is included in the contract, which is bid by the City for street work. The work will be done by the City contractor and the cost special assessed, unless the repair has been completed by the time the contractor starts work on the project or special arrangements have been made with the Engineering Division.

*18. We don't want sidewalk constructed on our street. What can we do about it?*

The City Council has retained the authority to review any sidewalk proposal and to defer construction whenever it deems such deferral to be

necessary and desirable. The Council will conduct a public discussion prior to the final approval of any street project, at which time property owners are invited to attend and present their position regarding any sidewalk proposal.

19. *The estimated special assessments on the mailing sent to me include an item called "Street Improvements". What construction is included in this line?*

The Council adopted a new policy in 2004 that establishes a lineal foot assessment called "Street Improvements" to include construction of concrete curb and gutter, bituminous paving, boulevard restoration and sidewalk. The "Street Improvement" assessment is intended to be charged against all properties where sidewalk does not currently exist at the time of the street improvement. The "Street Improvement" assessment will be levied at the rate established regardless of whether sidewalk is ordered to be constructed by the City Council. The driveway apron assessment will be charged based on the actual size of the approach constructed.

20. *What about my street and boulevard trees?*

In some cases, it is necessary to remove street trees due to street widening, sidewalk, or utility construction. Attempts are made to save boulevard trees where possible. The tree will be cut down and the stump removed by the City. Assessment will not be made for this work. The City Forestry Division administers a program for replanting

and renewing the Urban Forest. For information on the tree planting program and allowable tree species, contact the City Forester by calling 839-5039.

21. *What can I do if I don't want the assessments placed on the taxes?*

A form will be sent to you at the time the Council approves the project. You should return the form to the Engineering Division, and a bill will be sent to you when the project is completed. You must pay the bill prior to November 1 to avoid the assessments being placed on the tax roll without interest.

22. *How can I learn more about the project?*

For further information on this, or any other City Construction project, please feel free to call or stop by the City Engineer's office on the second level of City Hall, 203 South Farwell Street (Phone 839-4934). Your interest will be welcomed, and you are entitled to examine the construction plans and raise all questions of concern to you.

23. *Commonly used units:*

L.F. = Lineal Foot  
S.F. = Square Foot  
EACH = Each

## SPECIAL ASSESSMENT PROGRAM

EAU CLAIRE, WISCONSIN



### Frequently Asked Questions

DEPARTMENT OF PUBLIC WORKS

Engineering Division